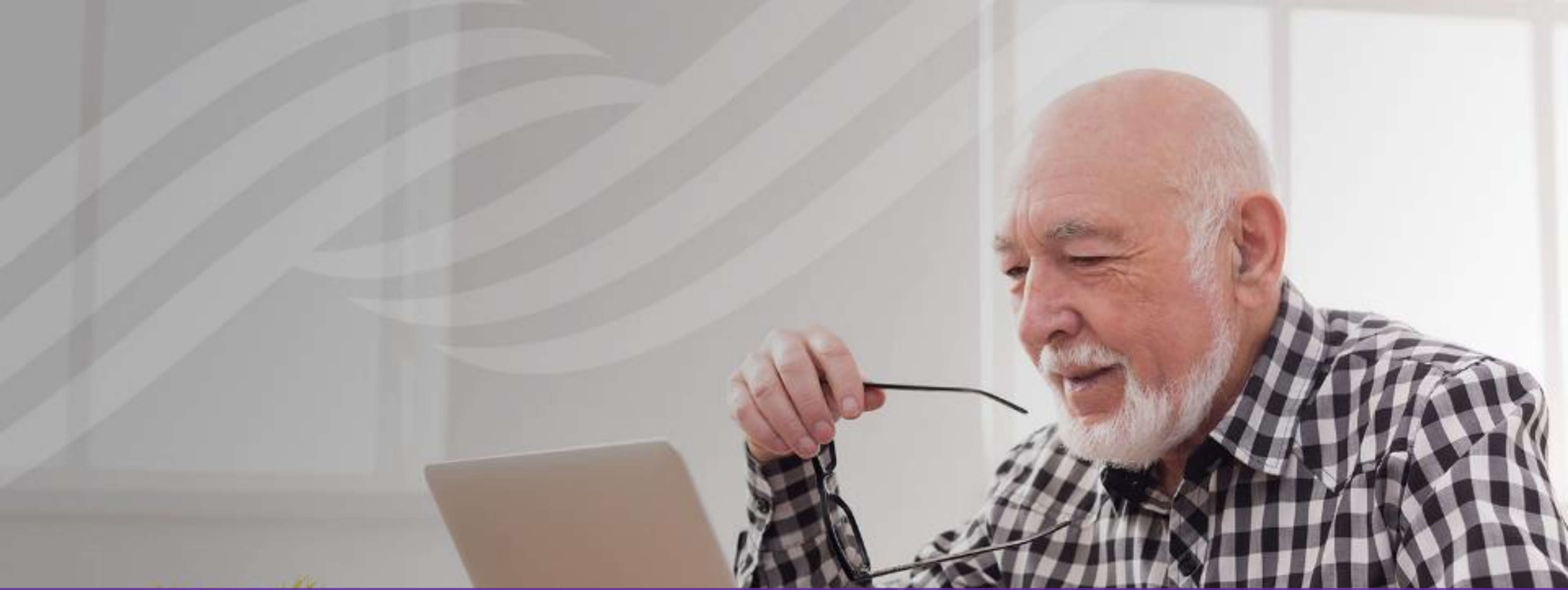


ADVANCED & COMPREHENSIVE FINANCIAL SOLUTIONS

PRESENTED BY

Marie Carlson
CFO
Lutheran Life Communities

Winnie Dang
CFO
Hillcrest

Will Carney
Managing Director
Ziegler

Daren Bell
Director
Ziegler

Scott Determan
Director
Ziegler

Ziegler | 23rd ANNUAL SENIOR LIVING FINANCE + STRATEGY CONFERENCE
SEPTEMBER 23 – 25 • VIRTUAL EVENT

OBJECTIVES

- To review recent successful senior living transactions.
- To delve into the structures of recent financings and the rationale for accessing various types of debt.
- To learn from peer organizations who can assist other providers looking to access capital in the future.

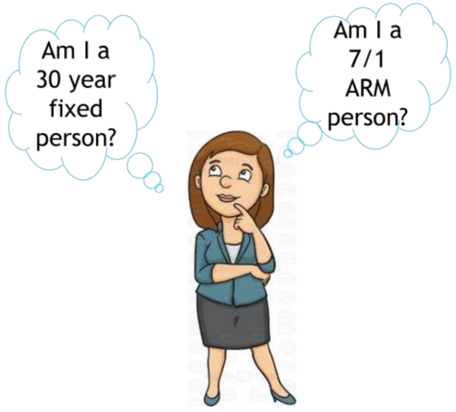
AGENDA

- Topic 1: Introduction and Product Overview
- Topic 2: Lutheran Life Communities Case Study
- Topic 3: Brethren Hillcrest Homes Case Study
- Questions & Answers

TOPIC 1

INTRODUCTION

FINANCING PRODUCTS AND STRATEGIES



- Traditional Financing Products and Tools
  - **Public Fixed Rate Bonds**
    - Short-term Temporary Debt (Payable with Entrance Fees)
    - Long-term Permanent Debt (35 years)
  - **Bank Direct Purchase**
    - Shorter term commitment (7-10 years)
    - Draw-down Structures
  - Bond Anticipation Notes (BANs) – early stage capital
  - Section 142(D) Financing – acquisition capital

- Alternative Financing Products and Tools
  - Taxable Bonds / Debt
  - "Cinderella" Refunding Bonds
  - Forward Settlement Bonds
  - Floating Rate Notes (FRNs)
  - Mandatory Put Bonds
  - Interest Rate Hedging tools

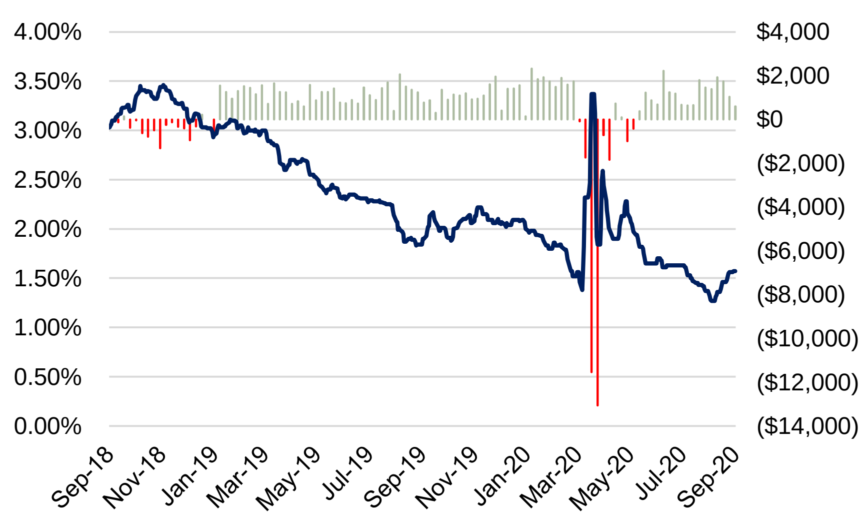
SOURCE: Ziegler Investment Banking

INTEREST RATE ENVIRONMENT

- The tax-exempt bond market is sensitive to the balance of supply and demand
- Investor demand has rebounded after the early stages of the COVID-19 pandemic
  - Approximately $26.4 billion of net outflows in 2020, largely in the month of March
  - Followed by 17 consecutive weeks of net positive inflows
- Supply is building and the markets are healing
  - Rose Villa was the first Senior Living provider to enter the market on June 17
  - Several successful senior living financings have been successfully placed since Rose Villa; more in planning
- **30-year MMD is within 0.30% of its all-time low and credit spreads are tightening**

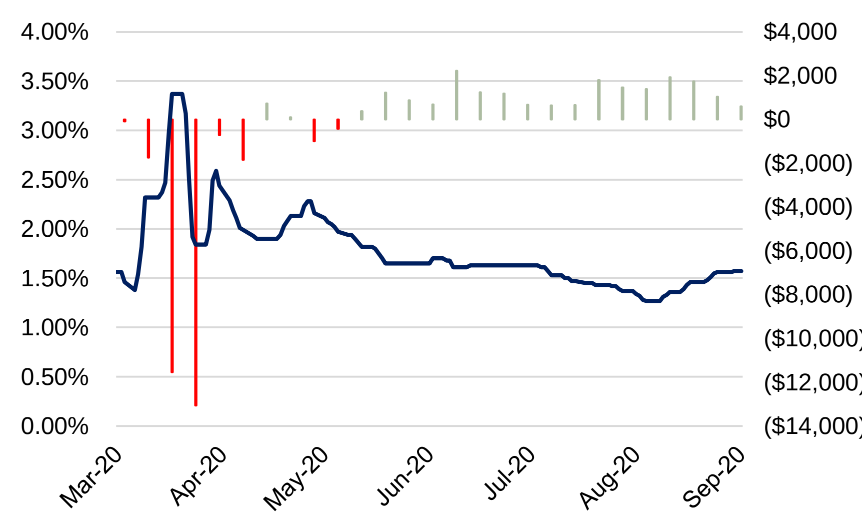
Tax-Exempt Bond Fund Flows ($MM) vs. 30-Yr MMD

Last 2 Years



Tax-Exempt Bond Fund Flows ($MM) vs. 30-Yr MMD

Last 6 Months

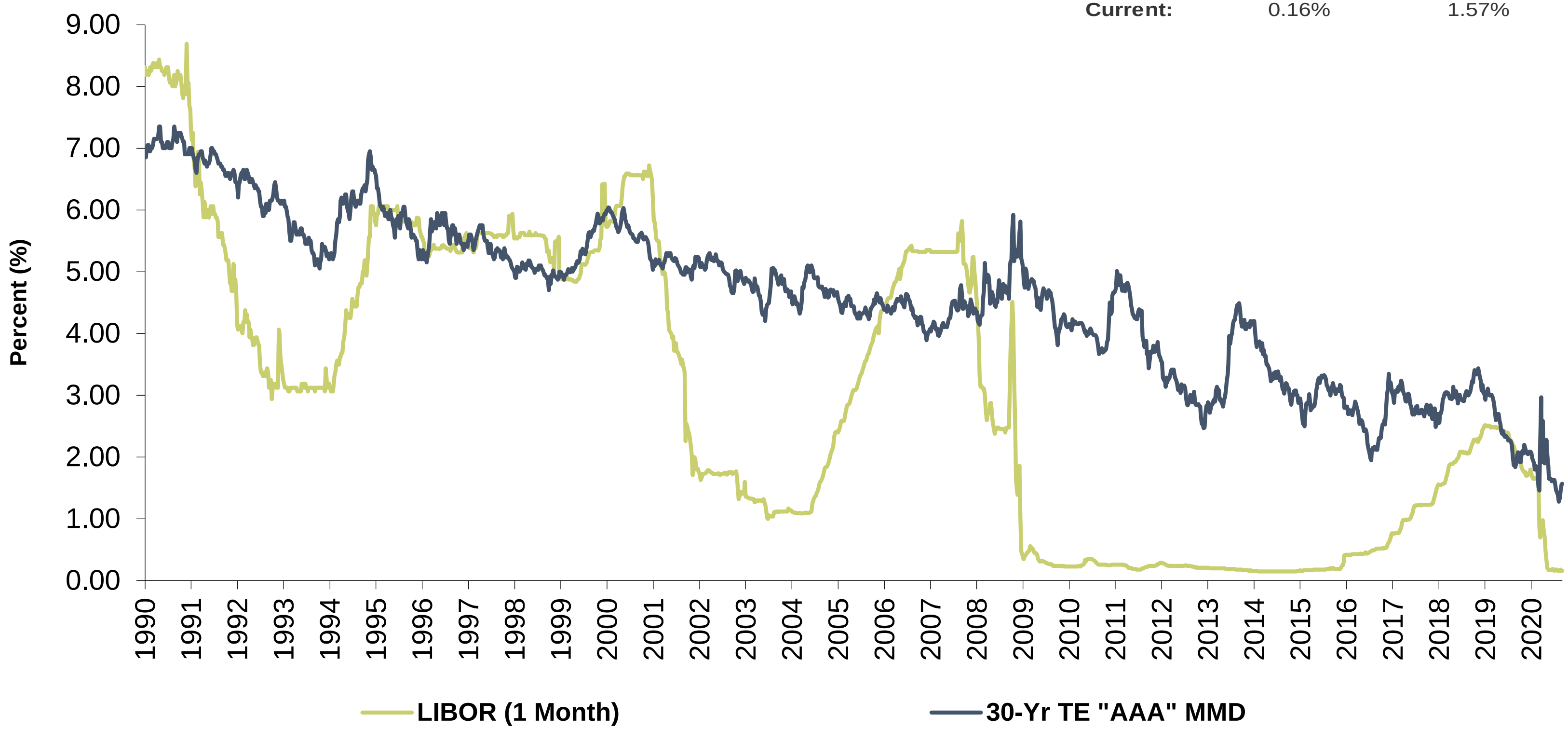


Source: Ziegler Investment Banking, as of 09/04/20

HISTORICAL INTEREST RATES (LONG-TERM VS SHORT-TERM)

1-mo LIBOR vs MMD 30-Yr “AAA”
(1990 YTD - Weekly)

	1 Mo. LIBOR	MMD 30 YR "AAA"
Minimum:	0.15%	1.28%
Maximum:	8.69%	7.35%
Average:	2.98%	4.56%
Current:	0.16%	1.57%



SOURCE: Ziegler Investment Banking, as of 09/04/20

BANK VS BONDS
BENEFITS AND CONSIDERATIONS

	Bank Placement	Fixed Rate Bonds
Benefits	▪ Lower initial interest rate ▪ No Debt Service Reserve Fund ▪ "Draw down" feature decreases cost (if new money) ▪ No Official Statement ▪ Lower costs of issuance ▪ Variable rate or synthetic fixed structures ▪ Flexible redemption feature (if variable rate)	▪ Long-term amortization (30-35 years) ▪ Rates fixed for full term ▪ More favorable covenants ▪ High operational flexibility ▪ No additional banking business required ▪ No Loan-to-Value constraints ▪ Historically low long-term interest rate environment
Considerations	▪ Shorter-term financing/renewal risk ▪ Interest rate risk ▪ LIBOR risk (Index cessation by 2021) ▪ Tighter covenants ▪ Additional banking business required ▪ Hedging can add complexity and MTM fluctuations ▪ Loan-to-Value constraints	▪ Higher interest rate than bank placement currently ▪ Debt Service Reserve Fund Required ▪ "Draw down" option not widely accepted ▪ Official Statement required ▪ Longer prepayment protection for investors

SOURCE: Ziegler Investment Banking

IMPACT OF TAX CUTS AND JOBS ACT

- The Tax Cuts and Jobs Act has impacted the municipal bond market on several fronts and has resulted in the development of new methods of accessing capital.

- **Repeal of Advance Refundings** – Borrowers are no longer able to issue tax-exempt Bonds to "advance refund" (earlier than 90 days from the call date) existing tax-exempt Bonds.
  - Historically, many providers have used the advance refunding vehicle to take advantage of low interest rate periods to reduce borrowing costs

- Increase in Bank Direct Placement Cost of Capital due to an decrease in the Corporate Tax Rate.
  - The lower corporate tax rate has diminished the attractiveness of tax-exemption for banks, and thus has resulted in an increase in the borrowing costs associated with sourcing bank capital

- SALT Deduction Cap – Tax-Exempt municipal Bonds remain one of the only tax havens left for investors

SOURCE: Ziegler Investment Banking

EXPANDING FINANCING STRATEGIES

- Taxable "Advance Refunding" Bonds: Low, compressed interests can present opportunities for Borrowers to issue taxable debt to advance refund existing tax-exempt debt (90 days prior to call date).
- "Cinderella" Bonds: Borrowers issue taxable debt that has preset terms which allow the Bonds to convert to tax-exempt in the future (typically on or after the call date of refunding bonds).
- Forward Settlement Bonds: Borrowers price Bonds today with a settlement of the Bonds in the future (i.e. 6-12 months).
- Shorter Call Date Provisions: Call Dates on new Bond issues can be structured inside of the typical ten year term to allow for flexibility and refunding opportunities.
- Mandatory Put Bonds: Public fixed rate bonds issued with a long nominal maturity but include a mandatory Put Date to take advantage of the short-end of the curve through which provides flexibility for future restructuring or refunding
- Tendering Bonds: Borrower purchases bonds from investors in secondary market at a negotiated price, issuing a new debt instrument to cover the purchase price

SOURCE: Ziegler Investment Banking

TOPIC 2

LUTHERAN LIFE COMMUNITIES CASE STUDY

Marie Carlson
CFO
Lutheran Life Communities

Will Carney
Managing Director
Ziegler

NON-PROFIT MULTI-SITE SENIOR LIVING ORGANIZATION *PROFILE*
2020 LZ 200: ***LUTHERAN LIFE COMMUNITIES***

- LZ 200 #: **47** Headquarters Location: **Illinois, Arlington Heights**
- Year Founded: **1892**
- Total Units (as of 12/31/19): **1,551**
  - **408 ILUs**
  - **360 ALUs**
  - **783 NCBs**

1st Community opened in 1892
2nd Community opened in 2000
3rd Community opened in 2005

- Classification: Primary: **Bi-state** Secondary: **Metropolitan**
- Total # of Communities: **6** # of LPCs: **4**
  # of Accredited Organizations: **0**
- Debt Rating: No Fitch: **N/A** S&P: **N/A**
- Affordable Housing: **N/A**
- Managed Housing: **N/A**
- Practices: Lutheran Life Communities operates a substantial nursing and assisted living community (Lutheran Home) located in Arlington Heights, IL. In 2000, Lutheran Home and Services for the Aged (name changed to Lutheran Life Communities in 2006) assumed sponsorship of the Lutheran Home of Northwest Indiana, a CCRC renamed Wittenberg Lutheran Village. Pleasant View and St. Paul's were acquired later.

Source: 2020 LeadingAge Ziegler 200 Publication (data as of 12/31/19)

OBLIGATED GROUP LOCATIONS

Source: Lutheran Life Communities

LUTHERAN LIFE COMMUNITES OBLIGATED GROUP CAMPUS PHOTOS

LUTHERAN HOME
INSPIRING THE BEST SINCE 1892.

LUTHER OAKS
NEVER STOP GROWING.

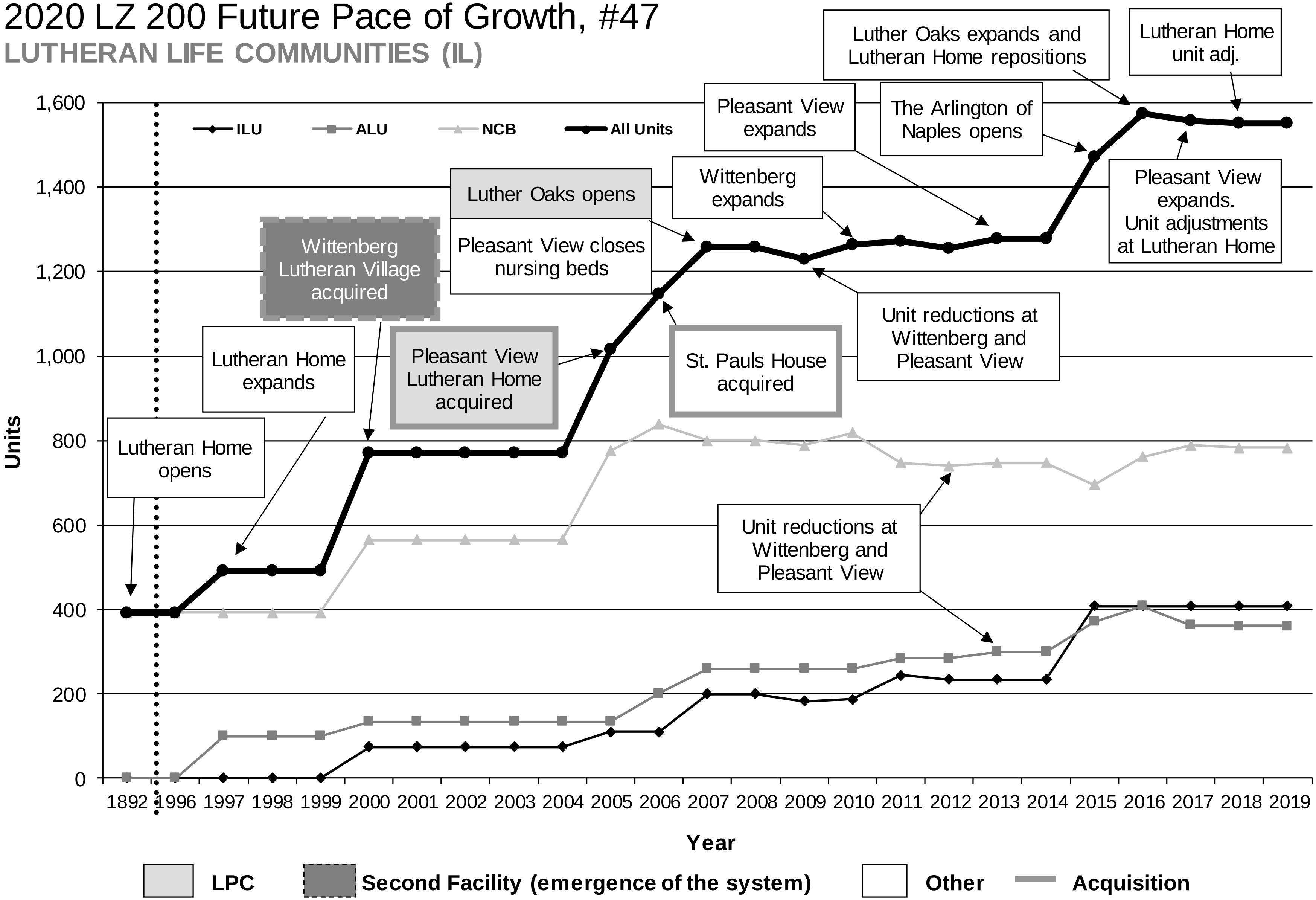
PLEASANT VIEW
A NEW PERSPECTIVE ON GRACE-FILLED LIVING.

WITTENBERG VILLAGE
ONE COMMUNITY. MANY CHOICES.

Source: Lutheran Life Communities

2020 LZ 200 Future Pace of Growth, #47

LUTHERAN LIFE COMMUNITIES (IL)



Source: 2020 LeadingAge Ziegler 200 Publication (data as of 12/31/19)

HOW WE SERVE

Life Plan Communities

- Villas and Apartment Homes
- Assisted Living
- Short-Term Rehabilitation
- Skilled Nursing
- Memory Care

Community Services

- Home Care
- Senior Move Management
- Adult Day Club
- Intergenerational Child Care

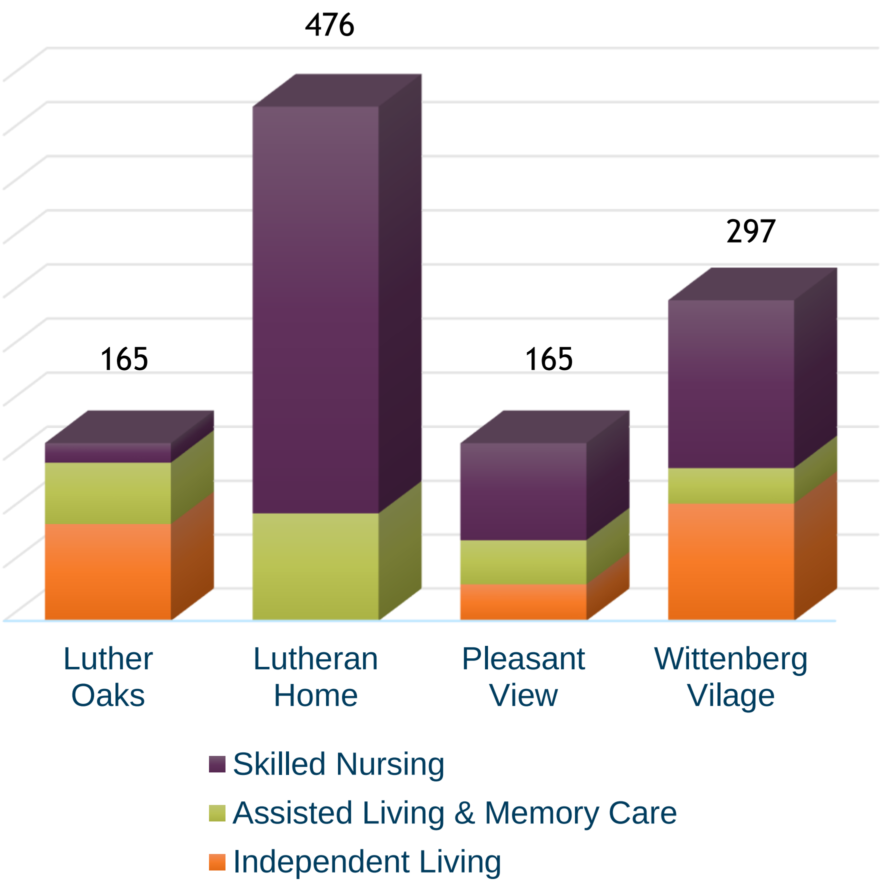
Foundation

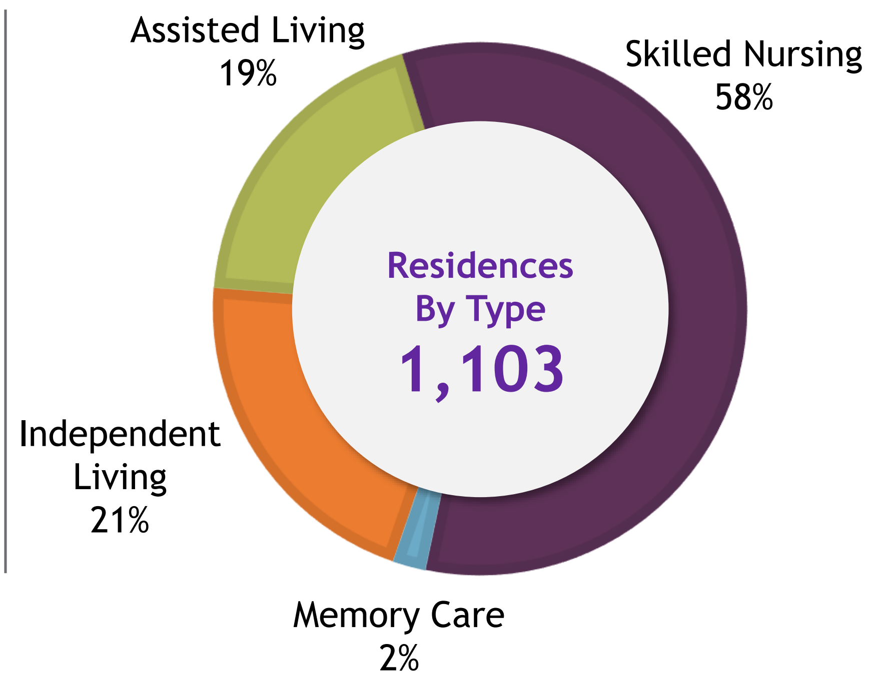
Donations support:

- Benevolent Care
- Spiritual Life
- Continuing Education
- Capital Projects

Source: Lutheran Life Communities

NUMBER OF RESIDENCES





Source: Lutheran Life Communities

LUTHERAN LIFE COMMUNITIES
SERIES 2019 FINANCING OBJECTIVES

- ✓ Take advantage of current market opportunity for debt service savings
- ✓ Utilize debt service savings to generate excess cash;
  - "Upstream" $14.5M to LLC
  - Fund capital improvements at LLC communities @ $10M
  - Improve operational cash flow
- ✓ Establish a combined Obligated Group of LLC communities that excludes the Foundation, LCSA (Community Services) and Arlington of Naples
- ✓ Implement new bond documents with financial covenants that better align with existing operations and with improved provisions for payment of management fees and provide greater flexibility to fund future capital needs
- ✓ Create new organizational structure with Parent corporation. Permit obligated group to "upstream" cash to Parent to fund and/or provide limited guarantees for strategic initiatives (campus redevelopment, affiliation, acquisition and new development).

Source: Lutheran Life Communities

PRIOR DEBT STRUCTURE

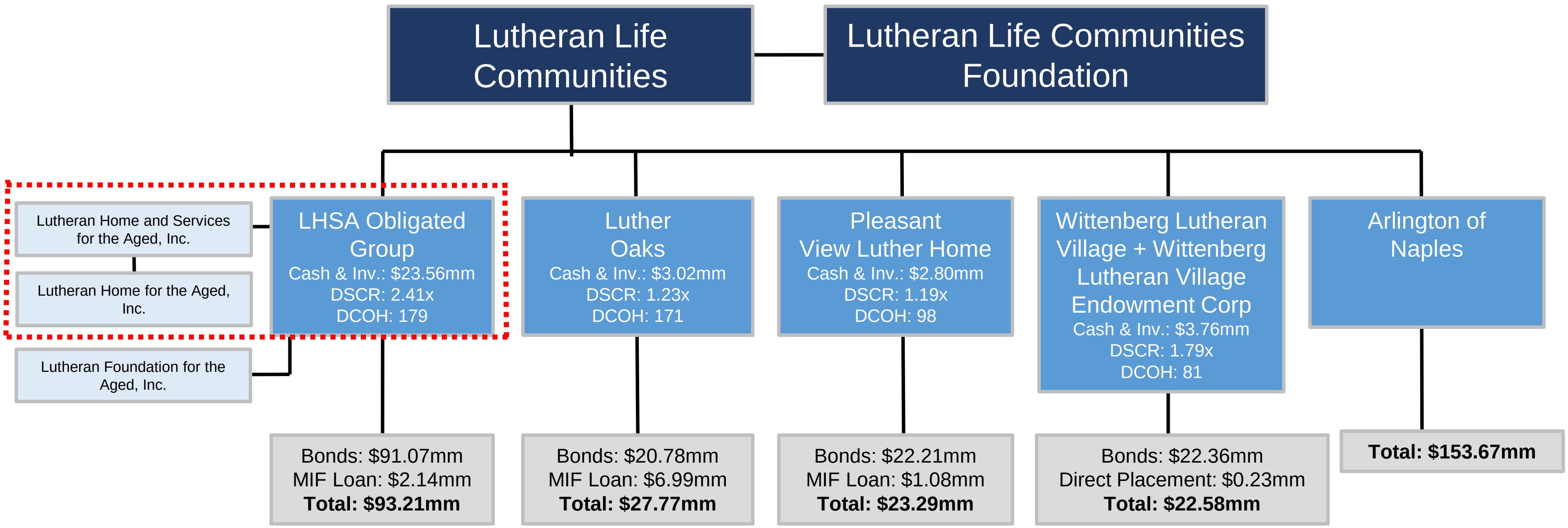
Lutheran Life Ministries Summary of Existing Debt Outstanding Par Amounts as of Closing (Dec. 2019)					
Series		**Maturity**	**Par Amount (Long-Term Debt)**	**Coupon Rates**	**Call Provisions/Notes**
Wittenberg Lutheran Village					
2009A	Fixed Rate Bonds	11/15/2039	$22,355,000	7.6% - 8.0%	Anytime at Par
2016	Loan-Village Bank & Trust	3/31/2021	229,677	4.39%	Anytime at Par
	Total for Wittenberg		**$22,584,677**		
Luther Oaks					
2006A	Fixed Rate Bonds	8/15/2039	$20,280,000	5.70% - 6.0%	Anytime at Par
2006B	EXTRAS	8/15/2039	500,000	5.375%	Anytime at Par
2014	Promissory Note - MIF	9/1/2040	6,989,431	4.625%	Anytime at Par
	Total for Luther Oaks		**$27,769,431**		
Pleasant View					
2010	Fixed Rate Bonds	11/15/2045	$16,295,000	5.60% - 7.375%	11/15/2020 at par
2012	Fixed Rate Direct Placement	5/15/2042	5,915,000	6.00%	5/15/2022 at 102% DTP
2006	MIF Promissory Note	9/1/2026	1,081,000	3.875%	Anytime at Par
	Total for Pleasant View		**$23,291,000**		
Lutheran Home for the Aged					
2012	Fixed Rate Bonds	5/15/2046	$91,070,000	5.0% - 5.75%	5/15/2022 at par
2006	MIF Loan to LLC (Guaranty)	12/31/2031	**$2,141,748**	3.875%	Guaranty by LLC
	Total for Lutheran Home		**$93,211,748**		
Total Combined for All Four			**$166,856,856**		

Debt considered as part of this refunding. Bonds considered for Bondholder Repurchase

Source: Ziegler Investment Banking

LLC PRIOR ORGANIZATION CHART

Lutheran Life Communities – Subsidiaries with Public Debt*

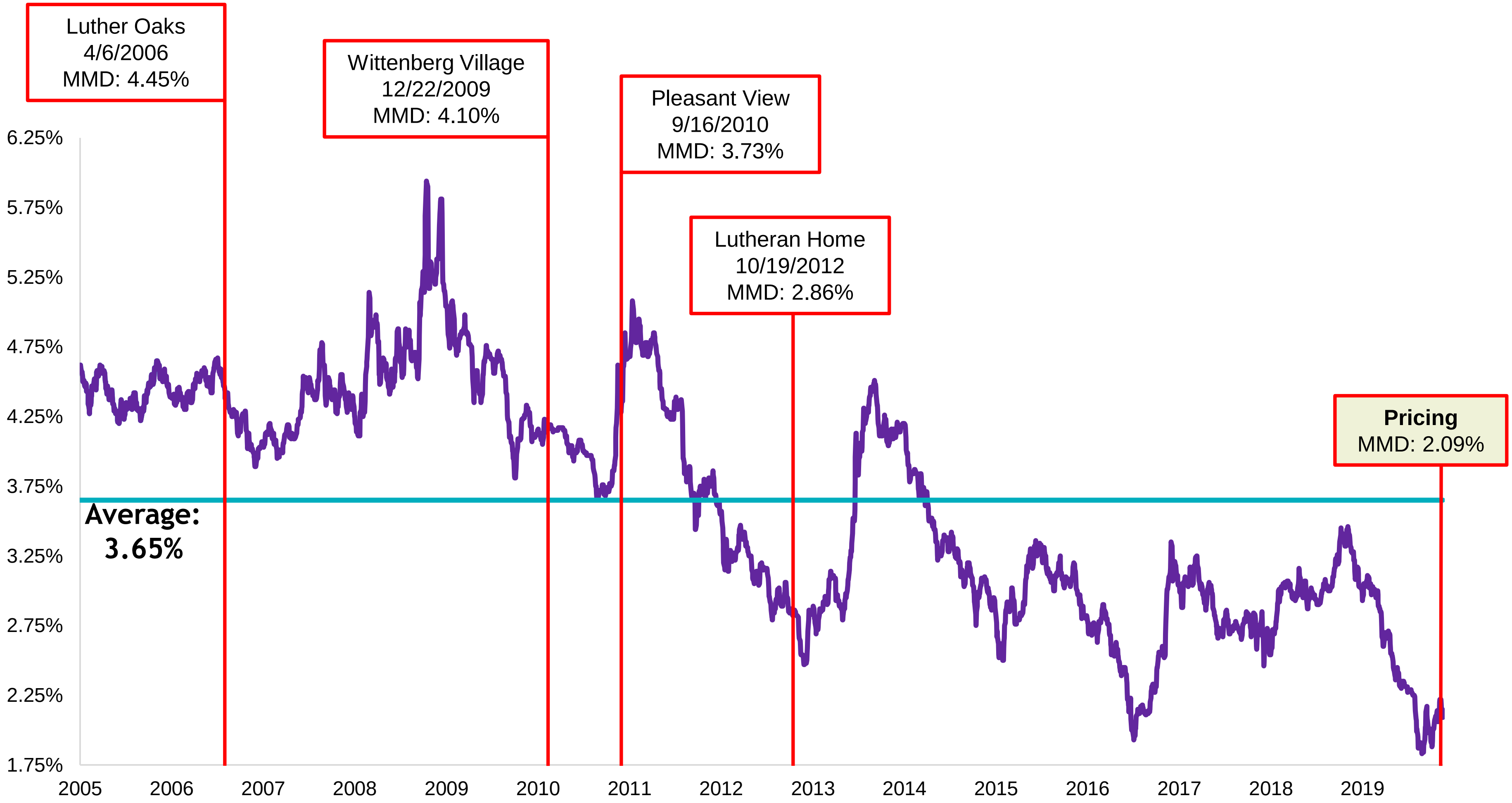


Obligated Group

Note*: All debt balances and coverage amounts are as of latest interim financial statements.

Source: Ziegler Investment Banking

30-YR "AAA" MMD INDEX
LUTHERAN LIFE HISTORICAL PRICINGS



Source: Refinitiv Municipal Market Monitor, as of 11/25/19

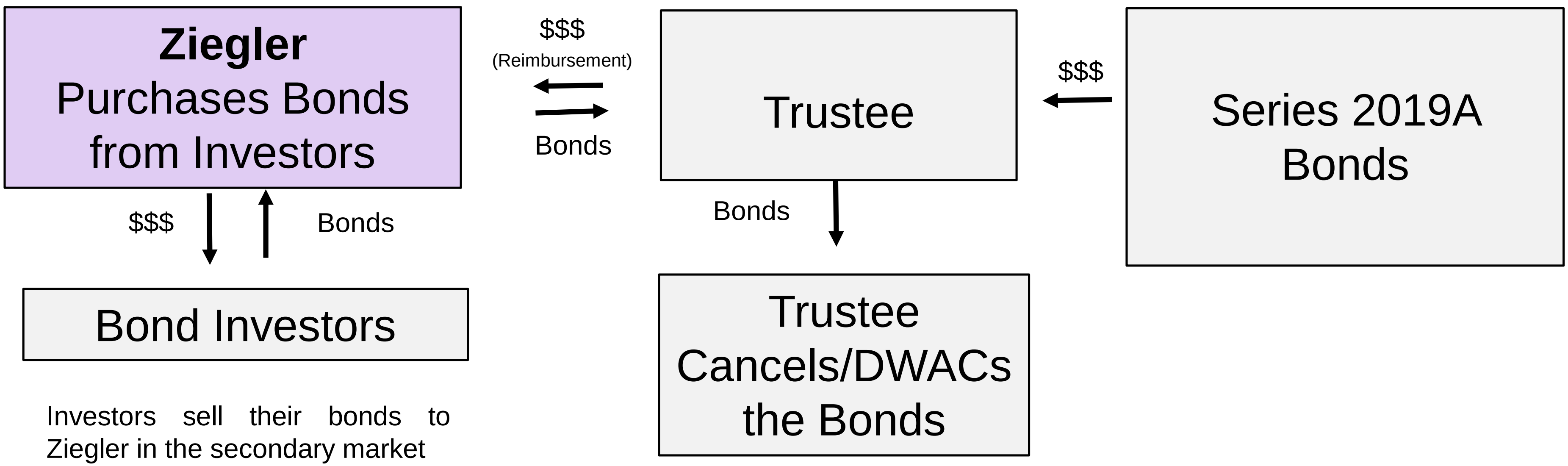
SERIES 2019 PLAN OF FINANCE REVIEW

- Purpose:
  1. Refinance all currently callable long-term debt with fixed rate bonds
     - $22.7M of Wittenberg
     - $27.8M of Luther Oaks
     - $1.1M of Pleasant View
  2. Repurchase non-callable LLC bonds directly from investors at mutually agreed upon price. Once purchased, Ziegler then surrenders these bonds to trustee where they are cancelled/refunded.
     - Par Amount Repurchased: $91M (Cost to repurchase of $103M)
  3. Ziegler issues new tax-exempt bonds on behalf of LLC to fund the secondary market repurchase. This new debt replaces the prior debt and includes an incremental $10M of new money for capital improvements
  4. Any remaining LLC debt that wasn't either currently called, or successfully repurchased is then refinanced with a bank Cinderella loans
     - Loan Amount: $24.7M
  5. Borrower $15M from the Mission Investment Fund in taxable debt to cover repayment of intercompany loans for working capital and other non tax-exempt eligible purposes
  6. Fund a debt service reserve fund and pay costs of issuance

Source: Ziegler Investment Banking

OVERVIEW OF REPURCHASE PROCESS

- Unlike a traditional **“advanced refunding”** which must pay principal and interest through the call date of the bonds, a **“Secondary Market Repurchase”** uses loan proceeds to purchase bonds directly from investors at discounted prices for immediate refinancing

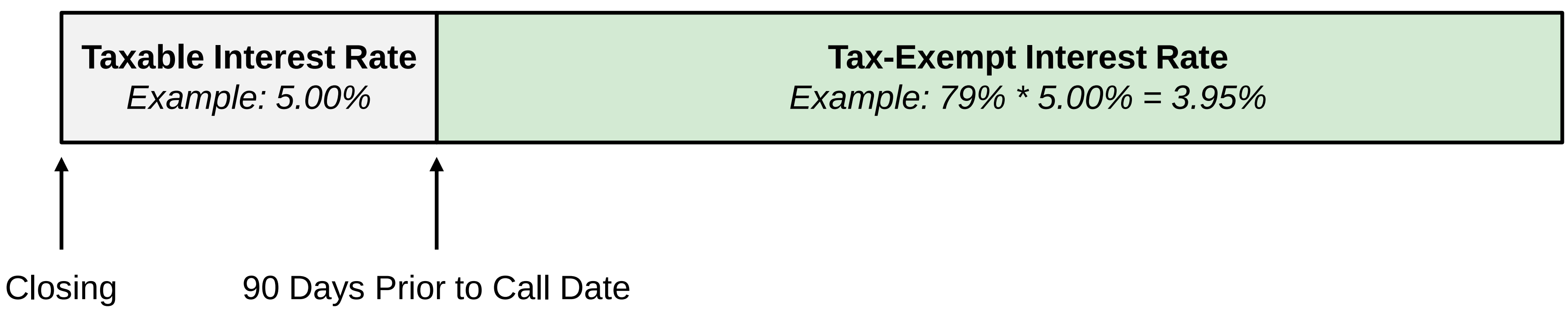


Source: Ziegler Investment Banking

OVERVIEW OF "CINDERELLA" PROCESS

- Since the elimination of municipal advance refundings with the passage of the Tax Cuts and Jobs Act of 2017, **<u>Cinderella Bonds</u>** have risen in popularity to access long-term tax-exempt interest rates at a slightly higher initial interest rate
  - Cinderella Bonds are initially issued as taxable loans, with provisions to trigger a "reissuance" to a tax-exempt loan on the Cinderella Date – 90 days before the bonds being refunded would be currently callable.

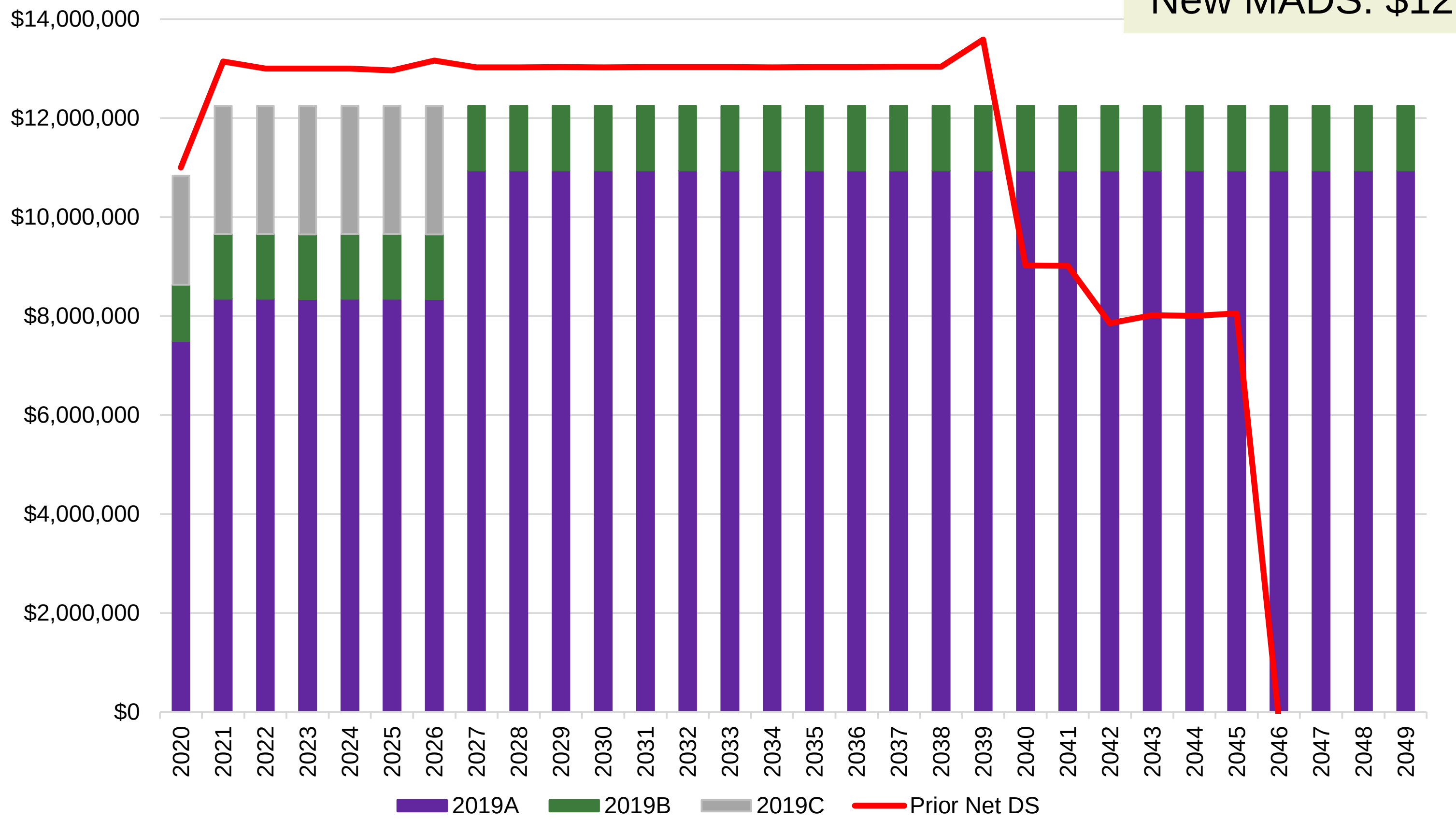
  - Example: The Lutheran Home's call date was 5/15/2022 at par.
    - Issue Cinderella Bonds on 11/15/2019 with a 10-year bank commitment
      - 90 days before 5/15/2022 (on 2/14/2022), the taxable loan coverts to tax-exempt, and the interest rate is adjusted based on the bank's marginal tax rate



Source: Ziegler Investment Banking

PRO FORMA AGGREGATE ANNUAL DEBT SERVICE

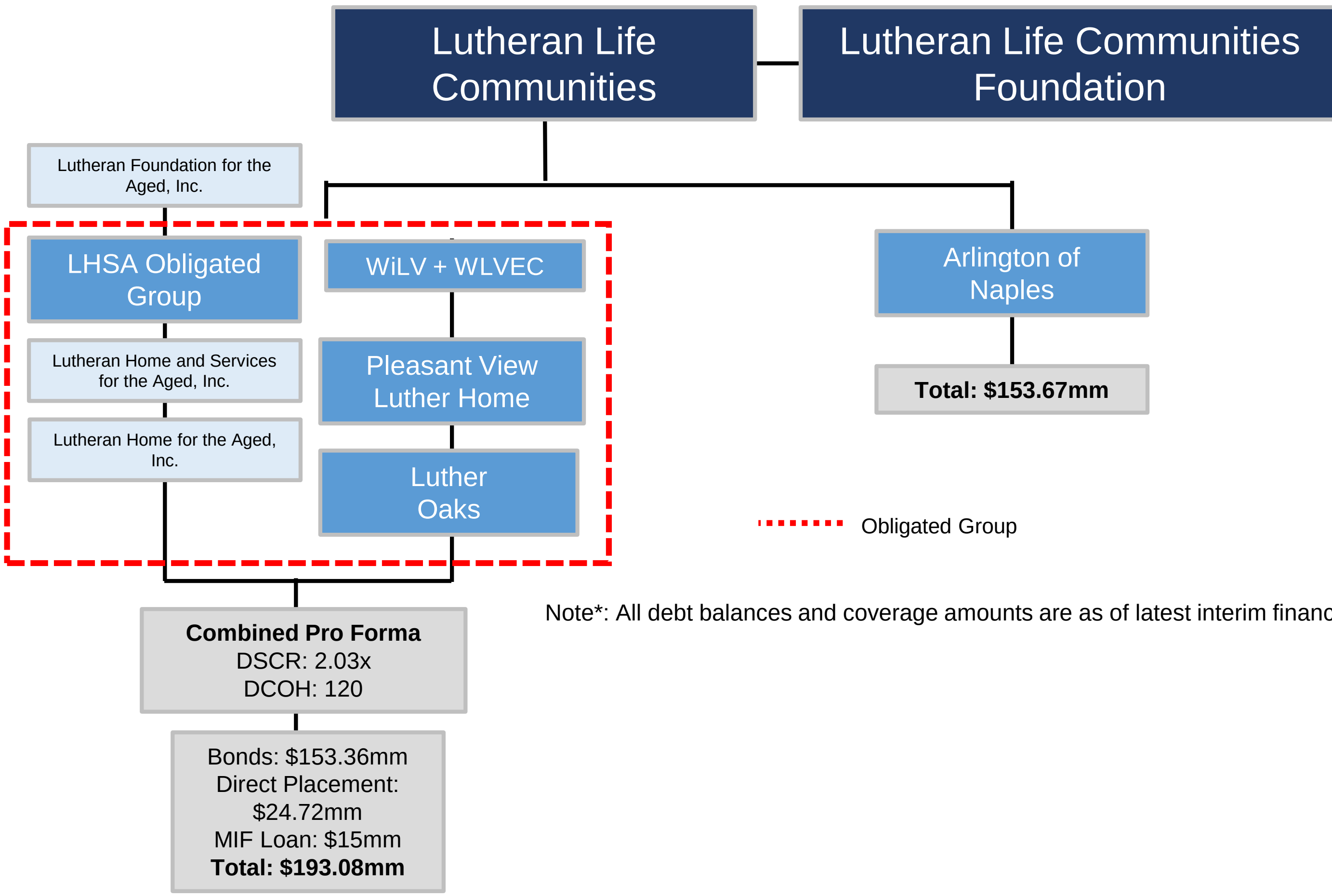
Prior MADS: $13.59M
New MADS: $12.25M



- **MADS reduced by $1.34M despite adding $25M of “new” debt ($10M project + $15.Mm upstream of cash)**

Source: Ziegler Investment Banking

LLM ORGANIZATION STRUCTURE POST-FINANCING



Note*: All debt balances and coverage amounts are as of latest interim financial statements.

Source: Ziegler Investment Banking

RESULTS OF 2019 FINANCING

1. Take advantage of current market opportunity to refinance existing debt for debt service savings
2. Utilize debt service savings to:
   - Repay intercompany advances
   - Fund capital improvements at LLC communities
   - Improve operational cash flow
3. Establish a consolidated Obligated Group for all core Midwest LLC communities which excludes the Foundation, LCSA and Arlington of Naples
4. Consolidate and modernize bond documents for single MTI with same set of covenants and legal provisions appropriate for a multisite organization

Source: Ziegler Investment Banking

TOPIC 3

BRETHREN HILLCREST HOMES

Winnie Dang
Chief Financial Officer
Brethren Hillcrest Homes

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Scott Determan
Director
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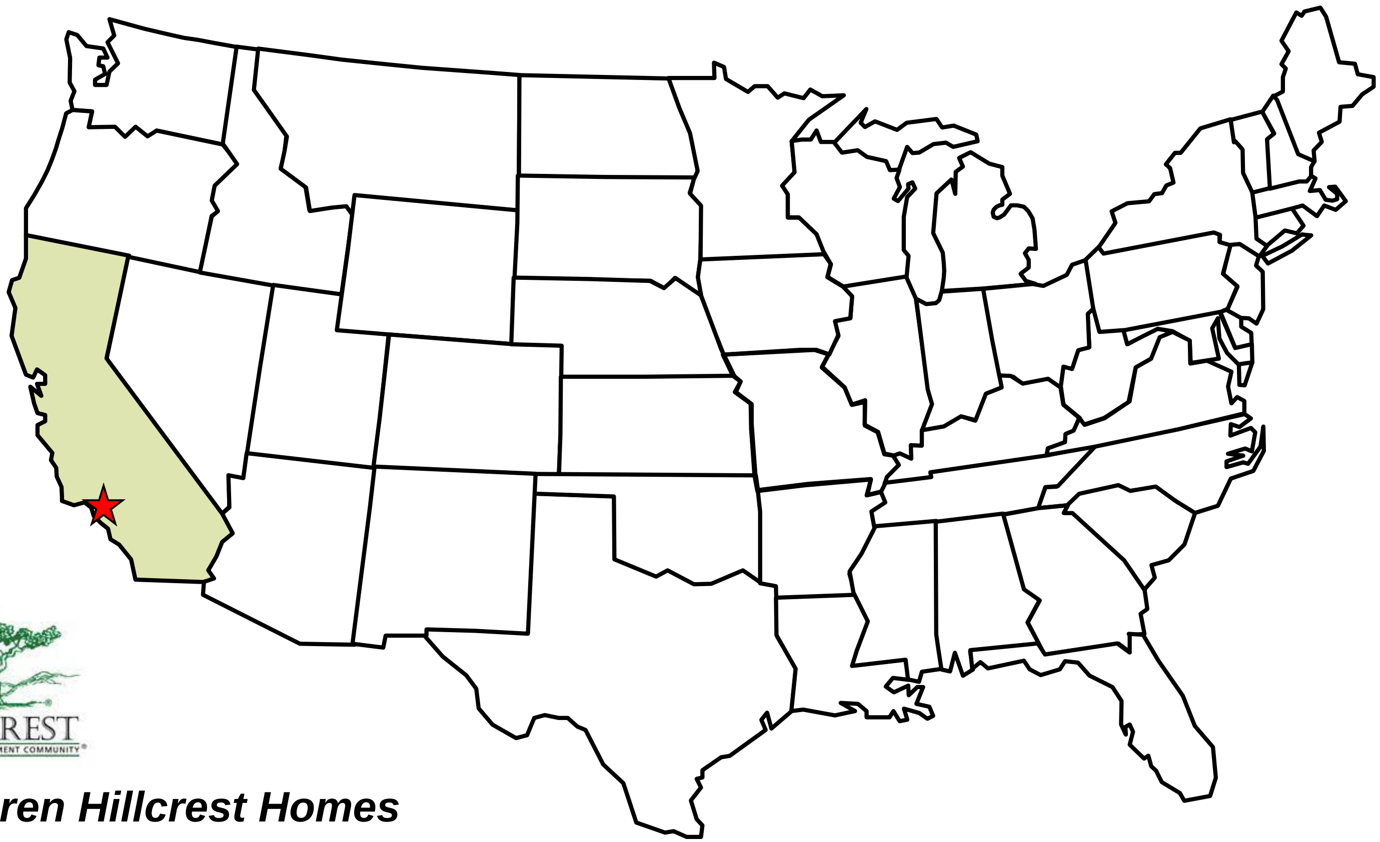
NOT-FOR-PROFIT SENIOR LIVING ORGANIZATION *PROFILE*
SNAPSHOT: BRETHREN HILLCREST HOMES



HILLCREST
A REMARKABLE RETIREMENT COMMUNITY®

Brethren Hillcrest Homes
La Verne, CA
www.livingathillcrest.org

Source: Ziegler Investment Banking

NOT-FOR-PROFIT SENIOR LIVING ORGANIZATION *PROFILE* SNAPSHOT: BRETHREN HILLCREST HOMES

HILLCREST
A REMARKABLE RETIREMENT COMMUNITY®

Source: Brethren Hillcrest Homes

NOT-FOR-PROFIT SENIOR LIVING ORGANIZATION *PROFILE* SNAPSHOT: BRETHREN HILLCREST HOMES

- Location: **La Verne, CA**
- Date opened: 1949
- Total units (as of 09/01/2020): **357**
  - **226 ILUs**
  - **72 ALU/MCUs**
  - **59 NCBs**

Future Total Units (as of 2021): **371**
  - **240 ILUs**
  - **72 ALUs**
  - **59 NCBs**

- Services to community: Resident life and wellness programming, recreational and community facilities (including café/lounge, fitness center, woodworking shop, beauty salon, aviary, and gardens), multiple dining options, and home care services.
- 400+ Residents / 230 Associates
- 15 Member volunteer board of directors
- Debt Rating: **Yes, but no more fixed rate debt** Fitch: **BBB-** S&P: **N/A**

Source: Brethren Hillcrest Homes

HILLCREST'S APPROACH

- Profitability Analysis

Break-Even Analysis	Residential Living	Skilled Nursing	AL - Birchcourt	AL - Cedar Court	Memory Care
Total Fixed Costs	$ 2,726,496	$ 580,870	$ 410,157	$ 168,888	$ 289,523
Revenues Per Unit	65,591	128,498	86,426	71,098	93,137
Variable Cost Per Unit	49,670	146,639	52,602	53,909	68,201
Total Fixed and Variable Costs	$ 12,849,373	$ 6,871,691	$ 2,094,001	$ 889,878	$ 1,766,269
Break Even Point in Units	196	53	24	13	19
Contribution Margin	24%	-14%	39%	24%	27%

- Market Feasibility and Saturation Study
- SVOR Analysis (Strengths, Vulnerabilities, Opportunities, Risks)
- Hawthorne Committee (Residents, Prospects, Staff)

Source: Brethren Hillcrest Homes

HILLCREST'S STRATEGY OVERVIEW

- In concert with funding a modest ILU expansion, Hillcrest wanted to look at creative ways to reduce their cost of capital on both the new financing and existing debt

- In the current rate environment, bank capital is an attractive alternative; however it comes with certain risks including:
  - Variable interest rate
  - Commitment period
  - Change in Bank's tax rate
  - LIBOR replacement
  - Master Trust Indenture

Source: Brethren Hillcrest Homes

CRUCIAL CONSIDERATIONS BEFORE LAUNCHING STRATEGY

Positive	Negative to Neutral
• Current savings of $3.6MM	• Savings can change if we wait
• Improves debt service coverage	• Rates could go lower
• Improves future odds of a rating upgrade	• All debt with one holder
• Covers debt of IL expansion	
• Improves the bottom line	

Source: Brethren Hillcrest Homes

FINANCING PLAN – BANK PLACEMENT

- Hillcrest entered into a private bank placement that was broken out into two distinct tranches
  - 2020A: Tax-exempt new money to fund ILU expansion
  - 2020B: “Cinderella” refinancing of existing Series 2014 Bonds, issuing a taxable bonds that convert to tax-exempt 90 days prior to the call date (when they become currently callable)
    - Upon Hillcrest satisfying conditions for a tax-exempt conversion the bank will deliver its existing taxable bonds to the Trustee for cancellation and exchange for a new bond certificate
    - Bond Counsel delivers a tax-exempt opinion on the conversion date

Source: Ziegler Investment Banking

FINANCING PLAN – BANK PLACEMENT

- New bond structure:
  - $10.600MM 2020A: Tax-exempt variable rate bank placement
    - 10 Year Commitment
    - 3 Years Interest Only
    - 30 Year Amortization
    - $5.5MM Bullet due in year 3 to be paid from initial entrance fees of the Project
    - **75bps LIBOR Floor**
  - $32.010MM 2020B: Taxable variable rate bank placement
    - 12 Year Commitment
    - 16 Year Amortization, matching existing 2014 Bonds
    - Converts to tax-exempt 90 days prior to the call date (5/15/2022)
    - **75bps LIBOR Floor**
- Borrower opted to mitigate interest rate risk by purchasing interest rate caps on both series of debt
- ***Savings from Cinderella approach is estimated to be $500,000/year or $3.6MM NPV assuming a top end yield based on the interest rate cap***

Source: Ziegler Investment Banking

INTEREST RATE SWAPS AND CAPS: OVERVIEW

General Characteristics

- Interest rate swaps and caps are separate, stand alone financial agreements intended to manage interest rate risk
- Hedge is based on a notional principal amount used to calculate net payments based on an interest rate paid (fixed rate) and the interest rate received (floating rate) – there is no exchange of principal.
- Hedge can be customized to hedge a portion of the underlying bonds; same concept applies to the length of the swap
- Hedges are transacted without altering the underlying bonds/loan
- Hedges have two important economic components: cash flow and "mark-to-market"

Key Benefits

- Efficiently manage interest rate risk
- Cost effective
- Product flexibility and customization
- Standardized Documentation
- Hedges can be executed quickly

Key Considerations

- Counterparty risk
- Basis risk
- Early termination risk
- Bank renewal / put risk
- Benchmark index risk
- Accounting considerations

Source: Ziegler Structured Products

INTEREST RATE SWAPS AND CAPS: MECHANICS

General Interest Rate Swap Mechanics

Interest Rate Swap Agreement

Floating Interest Rate Loan / Bond

Approved Swap Counterparty

Floating Interest Rate (79% of LIBOR + 1.82%)

Fixed Rate (3.12%)

Senior Living Provider

Floating Interest Rate (79% of LIBOR + 1.82%)

Floating Rate Bond Issue (Bank Direct Purchase - Peoples Bank)

General Interest Rate Cap Mechanics

Interest Rate Cap Agreement

Floating Interest Rate Loan / Bond

Approved Cap Counterparty

Floating Interest Rate (79% of LIBOR + 1.82%) minus the Strike Rate

One Time Upfront Payment $500,000

Senior Living Provider

Floating Interest Rate (79% of LIBOR + 1.82%)

Floating Rate Bond Issue (Bank Direct Purchase - Peoples Bank)

Cash flow only occurs if floating rate exceeds the Strike Rate resulting in a net payment to the Senior Living Provider

Source: Ziegler Structured Products

HILLCREST

Ziegler

ANALYZING HEDGING STRATEGIES

- Hillcrest management team and its advisors evaluated various risk management strategies related to the variable rate private bank placement.
- Several factors went into this evaluation, including:
  - Management team and Board risk tolerance and objectives
  - Absolute cost of capital / interest rate levels
  - Hillcrest's financial strength liquidity
  - Bank terms including the inclusion of a 75 basis point floor on 1M LIBOR
    - Historically Bank Debt has included 0.0% floor
  - Expected LIBOR phase out (2021)
  - Products: interest rate swap, interest rate cap, and combination
- After having various discussions on the hedging strategy and scenario analysis was performed, Hillcrest elected to utilize the interest rate cap product.

Source: Ziegler Structured Products

FINANCING PLAN KEY DECISION POINTS

- Strong balance sheet position provided access to interest rate cap product.
- Swap Rate pricing incorporated a significant premium due to Bank Loan floor of 75bps.
- Attractive cap pricing/premium due to historic low interest rate environment.
- Caps allow for ease of transferability (re-assign) to other debt if needed, and favorable accounting treatment (always an asset position).

Debt Component:	Series 2020A New Money	Series 2020B Cinderella Refinancing	
Par Amount:	$5,500,000	$32,010,000	
Bank Commitment Period	10 Year	12 Year	
Tax Status	Tax Exempt	Taxable	Tax-Exempt
Interest Rate Formula	79% of (1M LIBOR + 1.95%)	100% of (1M LIBOR + 2.05%)	79% of (1M LIBOR + 2.05%)
	79% of 1M LIBOR + 1.54%	100% of 1M LIBOR + 2.05%	79% of 1M LIBOR + 1.62%
Minimum Cost of Capital with 1m LIBOR Floor (0.75%)	**2.13%**	**2.80%**	**2.21%**

Hedging Product Selected	Interest Rate Cap	Interest Rate Cap	Interest Rate Cap
Hedge Period	Feb 2021 - Aug 2030	Aug 2020 - Mar 2022	Mar 2022 - Aug 2032
Index	79% of 1M LIBOR	100% of 1M LIBOR	79% of 1M LIBOR
Strike Rate	1.31%	0.75%	1.23%
Effective Strike with Loan Credit Spread	**2.85%**	**2.80%**	**2.85%**
Upfront Premium (Cost of Cap)	$106,000	$15,000	$510,000
Cost of Capital Range:	**2.13% - 2.85%**	**2.80%**	**2.21% - 2.85%**

Source: Ziegler Structured Products

SUMMARY

- Financing methods and structure helped facilitate:
  - Funding smaller expansion project –
    - Using bank capital – simplifies and reduces cost of capital and cost of issuance
    - Prepayment flexibility utilizing initial entrance fees
  - Reduced debt service through advance refinancing –
    - Locking in known cost of capital through 12 of remaining 16 years
  - Managed interest rate risk –
    - Implemented various interest rate caps
    - Caps allow for flexibility down the road

Source: Ziegler Investment Banking

QUESTIONS & ANSWERS

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For more information regarding administrative policies such as complaint and refund, please contact our offices at 312-705-7262. Fees for this workshop are detailed on the registration form.

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- Ziegler is a privately-held investment bank, capital markets and proprietary investments firm
- A registered broker dealer with SIPC & FINRA
- Ziegler provides its clients with capital raising, strategic advisory services, equity & fixed-income trading and research
- Founded in 1902, Ziegler specializes in the healthcare, senior living and educational sectors as well as general municipal finance

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